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No. 466

In the Supreme Court of the United States

OCTOBER TERM, 1963

ALEXANDER R. SURREY, ET AL., PETITIONERS

v.

DAVID L. LADD, COMMISSIONER OF PATENTS

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

BRIEF FOR THE RESPONDENT IN OPPOSITION

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OPINION BELOW

The opinion of the United States Court of Customs and Patent Appeals (Pet. 1a–8a) is reported at 319 F. 2d 233.

JURISDICTION

The judgment of the Court of Customs and Patent Appeals was entered on June 20, 1963 (Pet. 1a). The petition for a writ of certiorari was filed on September 12, 1963. The petitioners invoke the jurisdiction of this Court under 28 U.S.C. 1256 (Pet. 2).

QUESTIONS PRESENTED

1. Whether this Court has jurisdiction to review on certiorari a decision by the United States Court

of Customs and Patent Appeals which affirmed the denial of certain patent claims by the Board of Appeals of the United States Patent Office.

2. Whether, where the Patent Office holds that a new chemical product is patentable because it possesses an "unexpected pharmacological quality" so that the product would not have been obvious to one skilled in the art, it must also hold patentable a new but obvious material used in making the product as well as the process by which the product is made.

STATUTE INVOLVED

Act of July 19, 1952; § 103, 66 Stat. 798, 35 U.S.C. 103:

> § 103. Conditions for patentability; non-obvious subject matter
>
> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

STATEMENT

Petitioners applied to the Patent Office for a patent (1) on certain chemical compounds known as carbamates and useful as local anesthetics, (2) on the process by which these carbamates are made and (3) on other compounds known as chloroformates which are used as intermediates or starting materials in the

making of the carbamates (Pet. 1a). As revealed by petitioners' claims, the chloroformates are reacted with an amine to produce the carbamates (Pet. 1a–4a). The Examiner allowed the claims to the final products, the carbamates, finding that they possessed "an unexpected pharmacological quality" not possessed by other carbamates (Pet. 3a). However, he disallowed the claims to the process and to the intermediate chloroformates, stating (Pet. 4a):

> Claims 10–14, drawn to process, are rejected as being unpatentable over the patent to Cusic which discloses a classic method of preparing carbamic acid esters by the reaction of an amine and a chloroformate. This process is considered obvious in the preparation of the carbamic acid esters on appeal and only the expected result is revealed in applicants' use of this process to prepare the compounds of the allowed product claims. Application of an old process to different but analogous material is not inventive.
>
> Claims 15–17, drawn to intermediary products, are rejected as being unpatentable over the reference to Beilstein which discloses 2,4 dimethylphenyl chloroformate, an isomer of the claimed intermediates.

When the Examiner's decision was upheld by the Board of Appeals of the Patent Office, the petitioners appealed to the United States Court of Customs and Patent Appeals (Pet. 1a).

The Court of Customs and Patent Appeals agreed with the Patent Office's conclusion that the petitioners' invention was contained solely in the final product claims. As to the claims to the chloroformates, the court noted that it was undisputed that they had a

sufficient structural similarity to other chloroformates disclosed in a previous patent so that there arose a prima facie case that they would have been obvious to a person having ordinary skill in the prior art (Pet. 5a). The court held the two affidavits which petitioners submitted in an attempt to overcome the prima facie case "insufficient" on finding that they "concern only the properties of the carbamates and in no way consider the properties of the claimed chloroformates" (Pet. 5a–6a).

For the process claims, the petitioners relied not upon evidence of their patentability standing alone but upon the fact that the final product was patentable and that one of the starting materials (the chloroformates) was new (although obvious) (Pet. 6a). The Examiner rejected the claims, noting that a previous patent to one Cusic disclosed "a process for preparing carbamac acid esters (carbamates) by heating an aryl chloroformate with an alkalene-diamine in an inert organic solvent," and that this is "a classic method of preparing carbamic acid esters" (Pet. 6a). On appeal, the court observed, "Appellants admit that Cusic discloses the same type of reaction as claimed * * *" (Pet. 6a). Then, applying the rule that the allowability of one set of claims cannot be predicated upon the patentability of other claims (Pet. 7a), the court affirmed the decision of the Patent Office (Judge Smith dissenting).

ARGUMENT

Recently this Court declined to rule on the question whether decisions of the Court of Customs and

Patent Appeals, in patent cases on appeal from the Patent Office, are reviewable on certiorari. *Glidden Company* v. *Zdanok*, 370 U.S. 530, 578, n. 49. In our view there is no need for the Court to rule on that question in this case, for the decision below is plainly correct on the merits. The Court properly applied the settled rule that the patentability of one set of claims cannot normally be predicated upon the patentability of another set. Where one product is used to make another product, the two products must be viewed separately in determining patentability. Similarly, process claims and claims for the resulting products are independent and must be considered separately.

1. We assume, in light of this Court's opinion in *Glidden Company* v. *Zdanok*, 370 U.S. 530, that there is no constitutional obstacle to review by this Court of patent rulings of the court below.[1] But the fact

[1] In *Postum Cereal Co.* v. *California Fig Nut Co.*, 272 U.S. 693, 698–699, this Court held that a decision of the Court of Appeals of the District of Columbia, on appeal from a decision of the Patent Office relating to a patent and trademark application, was not a judicial determination but "merely an instruction * * * by a court which is made part of the machinery of the Patent Office for administrative purposes." Since such a decision did not, in the Court's view, present a justiciable case or controversy, it was deemed beyond the constitutional powers conferred upon this Court.

The jurisdiction of the Court of Appeals for the District of Columbia over patent and trademark matters was subsequently transferred to the Court of Customs and Patent Appeals. Act of March 2, 1929, 45 Stat. 1475. But the nature of the proceeding was not changed, and thereafter, in denying certiorari in *Pacific Northwest Canning Co.* v. *Skookum Packers' Association*, 283 U.S. 858 (trademark case), and in *McBride* v. *People*, 311 U.S. 649

that the Court of Customs and Patent Appeals may now be viewed as an Article III court does not mean that certiorari jurisdiction automatically follows. It is necessary to establish that Congress intended to vest such jurisdiction in this Court.

To satisfy this jurisdictional prerequisite, petitioners invoke 28 U.S.C. 1256 which states: "Cases in the Court of Customs and Patent Appeals may be reviewed by the Supreme Court by writ of certiorari." Section 1256 is part of the Act of June 25, 1948, 62 Stat. 869, 928, codifying Title 28 of the United States Code. Prior to the codification, the only statutory provision authorizing this Court to review decisions of the Court of Customs and Patent Appeals was a provision relating to customs cases. That provision—Section 195 of the old Judicial Code (36 Stat. 1145), as amended—had two elements, one empowering the Court of Customs and Patent Appeals to hear appeals from the Customs Court in customs cases, and a second authorizing this Court to review such decisions. It did not refer to patent or trademark matters. The codification of Title 28 merely separated the foregoing two provisions, placing the former in 28 U.S.C. 1541 and the latter in 28 U.S.C. 1256.[2] However, nothing in the codifying Act of 1948 suggests that Congress had any intention of according power to review a class of cases over which jurisdiction had previously been withheld.

(patent case), the Court specifically noted that the denial was "for want of jurisdiction" citing *Postum Cereal*. In subsequent patent cases, the Court has merely denied certiorari, without more.

[2] The Revisers Notes to Sections 1256 and 1541 confirm the derivation of those provisions.

Stern and Gressman, *Supreme Court Practice* (3d ed. 1962), Sec. 2–22.

2. On the merits, both the Patent Office and the Court of Customs and Patent Appeals found that the petitioner's chloroformates and the process of reacting chloroformates with an amine to produce carbamates would have been obvious to one skilled in the art (Pet. 4a–8a). Petitioners do not dispute this finding, and rest their claims essentially upon the patentability of the final product made by the process. Long ago, however, in *Rubber Co.* v. *Goodyear*, 9 Wall. 788, 796, the Court clearly rejected this contention,[3] indicating that where one product is made by using another, either one may be patentable, depending upon the standards of patentability as applied to each product independently and that the same rule applies to the process or method by which the product is made. See *Cochrane* v. *Deener*, 94 U.S. 780, 787–788; *Expanded Metal Co.* v. *Bradford*, 214 U.S. 366, 381–386; *In re Cady*, 77 F. 2d 106, 109

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[3] The Court stated (9 Wall. at 796):

"A machine may be new, and the product or manufacture proceeding from it may be old. In that case the former would be patentable and the latter not. The machine may be substantially old and the product new. In that event the latter, and not the former, would be patentable. Both may be new, or both may be old. In the former case, both would be patentable; in the latter neither. The same remarks apply to processes and their results. Patentability may exist as to either, neither, or both, according to the fact of novelty, or the opposite. The patentability, or the issuing of a patent as to one, in nowise affects rights of the inventor or discoverer in respect to the other. They are wholly disconnected and independent facts. Such is the sound and necessary construction of the statute."

(C.C.P.A.); *Buono* v. *Yankee Maid Dress Corp.*, 77 F. 2d 274, 279 (C.A. 2); *Bauer Bros. Co.* v. *Bogalusa Paper Co.*, 96 F. 2d 991, 994 (C.A. 5); *Oxford Varnish Corp.* v. *General Motors Corp.*, 120 F. 2d 44, 47 (C.A. 6); *Binney & Smith Co.* v. *United Carbon Co.*, 125 F. 2d 255, 258 (C.A. 4); *Application of Larsen*, 292 F. 2d 531 (C.C.P.A.), certiorari denied, *sub nom. Larsen* v. *Ladd*, 370 U.S. 936. These holdings leave no doubt, as the Court of Customs and Patent Appeals has said, that "It is well settled that the allowability of one set of claims cannot be predicated on the patentability of other claims in the same application." *Application of Touvay*, 264 F. 2d 901, 903.

Petitioners assert a conflict between the decision below and this Court's observation in *James* v. *Campbell*, 104 U.S. 356, 377, "Where a *new* process produces a *new* substance, the invention of the process is the same as the invention of the substance * * *." [Emphasis supplied.] However, the Court was there speaking of the unusual situation where a novel product and the novel process by which it is made are logically inseparable and where, viewing the invention either as one for a process or for the resulting product, sufficient novelty exists for patentability. This, however, is not the case at bar. Both the Patent Office and the court below found as a fact that the petitioners' process claims were obvious to one skilled in the art and petitioners have not even attempted to show that this finding is factually erroneous. Moreover, the Court in *James* v. *Campbell*, 104 U.S. at 377, emphasized that normally processes and related products are independant and each must stand or fall on

its own. See also *Holland Fur. Co.* v. *Perkins Glue Co.*, 277 U.S. 245, 255–256.

There is no merit to petitioners' argument that an interpretation of 35 U.S.C. 103 (*supra*, p. 2) is here involved; and that the rejection of petitioners' process claims, while at the same time allowing their product claims, is inconsistent with the statute. It is clear from the terms and the legislative history[4] of Section 103, enacted in 1952, that its purpose was to codify a rule designed to limit the type of claim on which a patent may be granted and that it did not change the established law that process claims and claims to the resulting product are normally independent with

[4] The Committee Report accompanying the bill to revise and codify Title 35 of the United States Code, stated (H. Rep. No. 1923, 82d Cong., 2d Sess., p. 7):

"Section 103, for the first time in our statute, provides a condition which exists in the law and has existed for more than 100 years, but only by reason of decisions of the courts. An invention which has been made, and which is new in the sense that the same thing has not been made before, may still not be patentable if the difference between the new thing and what was known before is not considered sufficiently great to warrant a patent. That has been expressed in a large variety of ways in decisions of the courts and in writings. Section 103 states this requirement in the title. It refers to the difference between the subject matter sought to be patented and the prior art, meaning what was known before as described in section 102. If this difference is such that the subject matter as a whole would have been obvious at the time to a person skilled in the art, then the subject matter cannot be patented.

"That provision paraphrases language which has often been used in decisions of the courts, and the section is added to the statute for uniformity and definiteness. This section should have a stabilizing effect and minimize great departures which have appeared in some cases."

To the same effect, see S. Rep. 1979, 82d Cong., 2d Sess., p. 6.

respect to patentability. Section 103 provides that, even if there are differences between the subject matter of the claims and the prior art, a patent shall not issue if the "subject matter as a whole would have been obvious" to a person skilled in the art. Certainly, this does not support the contention that a process, obvious to one skilled in the art, is patentable merely because the resulting product is patentable.[5]

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

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[5] Petitioners also assert a conflict between the decision below and *Parker* v. *Marzall*, 92 F. Supp. 736 (D.D.C.). However no conflict is apparent from the district court's opinion in that case. In *Parker*, the court did hold that in the case before it, the evidence at trial showed that an intermediate compound, used in making certain dyes, was patentable over the prior art which disclosed a structurally related compound. The court also held that evidence dealing with the final product was "proper evidence as to the properties possessed" by the intermediate (*id.* at 738). However, what other evidence was introduced as to the patentability of the intermediate is not detailed in the court's opinion. The court did not hold that just because a final product has unexpected properties, an intermediate from which it is made is *ipso facto* patentable over the prior art showing a structurally related compound.

U.S. GOVERNMENT PRINTING OFFICE: 1963